

ASSEMBLY BILL

No. 521

Introduced by Assembly Member De La Torre

February 25, 2009

An act to add Section 857 to the Public Utilities Code, relating to utility property.

LEGISLATIVE COUNSEL'S DIGEST

AB 521, as introduced, De La Torre. Utility property: leases for park purposes.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities. Under the existing Public Utilities Act, a public utility is required to seek commission approval prior to selling, leasing, assigning, mortgaging, or otherwise disposing of or encumbering any property necessary or useful in the performance of its duties to the public.

This bill would authorize a public utility to lease real property acquired for purposes of obtaining a utility right-of-way, to a governmental entity for purposes of maintaining a public park, with the utility retaining a right-of-way easement. The bill would require the commission, in determining whether the lease is for fair value, to include the community benefits of parks and open space as a benefit to ratepayers.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 857 is added to the Public Utilities Code,
2 to read:

1 857. (a) A public utility may lease real property acquired for
2 purposes of obtaining a utility right-of-way, to a governmental
3 entity for purposes of maintaining a public park, with the utility
4 retaining a right-of-way easement.

5 (b) In determining whether a lease of real property to a
6 governmental entity for park purposes is for fair value, the
7 commission shall include the community benefits of parks and
8 open space as a benefit to ratepayers.

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